

## Client Service Memorandum 2013-01

**To:** All DRS Staff

**From:** Kyle J. Walker, Client Service Director

**Date Issued:** 09/27/2013

**Effective Date:** 10/01/2013

**Subject:** Medicaid Medical Fee Rates to Replace USOR Medical Fee Schedule

As of October 1, 2013 USOR will no longer use or update the USOR Medical Fee Schedule and will not pay for any medical services using fees from this schedule. **As of October 1, 2013 it is the policy of USOR to use the Medicaid reimbursement rates for all medical services provided.** This does not include psychotherapy, psychotropic medication management and psychiatric services which are not covered by Medicaid, for these services please consult the approved USOR rates of payment.

Exceptions to this policy can be obtained by District Director approval in cases where documented evidence exists that demonstrates USOR would be unable to provide the needed service at the Medicaid rate. Reasons for an exemption to this policy may include having no local (within 75 miles) medical service providers willing to accept the Medicaid rates, providing the service under the Medicaid rate would require additional expenses such as travel, lodging, and associated costs to send the client to another community where a Medicaid provider is available, or other extenuating and individualized circumstances. When an exception to this policy is granted VR Counselors may negotiate a rate starting at the Medicaid rate and working toward the maximum rate of 150% of the Medicaid rate. Exceptions and the reasons for the selected rates must be documented in the client record.

VR Counselors, Rehabilitation Technicians, and Office Specialists working on arranging payments for medical services shall obtain the CPT Codes that the potential vendor will be using to bill for the proposed services and then look up the approved Medicaid rate for each CPT Code at:

<http://health.utah.gov/medicaid/stplan/lookup/CoverageLookup.php>

Potential vendors should be informed of the Medicaid rate and agree to accept said rate prior to USOR agreeing to provide the service and must agree not to charge additional fees to the client. Each VR Office must research local medical providers who accept Medicaid in order to create a list of potential vendors so that clients are able to exercise informed choice regarding the provider of medical services necessary and appropriate to enable the individual to retain, regain, or obtain employment. The list of local medical providers should include all vendors who accept Medicaid within a 75 mile radius of the office. If medical services with a Medicaid provider require travel outside this 75 mile radius, VR Counselors will factor the costs of travel, lodging, and other costs into the fee to determine if a local non-Medicaid provider may be the less expensive option. This calculation may be used to seek an exception to the Medicaid rate policy.

In the event that a CPT Code (example Psychiatric Medical Management) is not covered by Medicaid and/or Medicaid has no set fee according to the website above, the VR Counselor should consult the former USOR Medical Fee Schedule to negotiate an appropriate least possible cost fee not to exceed the rate in the former schedule. In the event that a CPT Code other than those regularly used by USOR is requested but not covered by Medicaid the VR Counselor should consult with the Medical Consultant to determine if the service is truly necessary for VR purposes and then consult through channels to establish a reasonable and least possible cost fee. Consultation with the supervisory chain of command on medical fees not included in the Medicaid fee schedule must be documented in the file.